



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

MAY 08 2017

Nathaniel J. Davis, Sr., Deputy Secretary
Federal Energy Regulatory Commission
888 First Street NE, Room 1A
Washington, DC 20426

RE: PennEast Pipeline Project Final Environmental Impact Statement; Pennsylvania and New Jersey;
April 2017 (FERC Docket No. CP15-558; CEQ# 2017-0055)

Dear Deputy Secretary Davis:

In accordance with the National Environmental Policy Act (NEPA) of 1969, Section 309 of the Clean Air Act, and the Council on Environmental Quality (CEQ) regulations implementing NEPA (40 CFR 1500-1508), the U.S. Environmental Protection Agency (EPA) has reviewed Federal Energy Regulatory Commission's (FERC) Final Environmental Impact Statement (FEIS) for PennEast Pipeline Company, LLC's (PennEast or the applicant) PennEast Pipeline Project. The Draft EIS was prepared for the project in 2016.

EPA provided comments to FERC on the Draft EIS on September 12, 2016. In this letter, EPA rated the DEIS as EO-2 (Environmental Objections- Insufficient information). EPA does not rate the FEIS. It is EPA's policy to conduct detailed reviews of those Final EIS's which had significant issues raised by the EPA at the Draft EIS stage (EPA Policies and Procedures, 1984). EPA's comments focused on the amount of detailed information that had not yet been filed and had not been evaluated in the DEIS, as well as comments and recommendations for additional information and analysis regarding: alternatives, geology, streams and wetlands, vegetation, wildlife, and public lands, rare, threatened and endangered species, cultural resources, conservation and visual, air, drinking water and human health, climate change, and cumulative impacts.

The FEIS included responses to comments provided by EPA in the September 12, 2016 correspondence. EPA appreciates FERC's efforts to consider and actively engage EPA to discuss comments, which resulted in improved or modified documentation provided in the EIS and improved safeguards for protection of human health and the environment. We hope to continue to work with the U.S. Army Corps of Engineers (Corps) and the applicant during the Clean Water Act Section 404 permitting process to address the protection of aquatic resources via avoidance, minimization and compensatory mitigation, particularly for the Susquehanna River crossing and other waterbody crossings associated with the project. Based on participation with the Corps in this process for previous pipeline projects, we anticipate that further avoidance and minimization of impacts can be achieved through minor route modifications realized through field meetings and discussions. We believe that through



engagement with FERC after the release of the Draft EIS and with the Corps during the permitting process, many of our concerns and objections have been or will be addressed.

It is helpful and assuring that the FEIS includes several commitments on detailed studies, public and agency coordination, and additional avoidance and minimization measures, as well as plans that will be completed. We suggest clarifying for this project and future projects that survey findings and documentation will be filed and available to the public and agencies, that the information received will be reviewed and verified to ensure it does not alter conclusions made in the EIS, and that rehearing requests would be considered after any Commission decision. We have enclosed recommendations to resolve remaining issues and strengthen the NEPA analysis by FERC.

Thank you for the opportunity to review and provide comments on the PennEast Pipeline FEIS. As there are numerous detailed recommendations associated with mitigation measures, we request a copy of the Certificate, should one be approved pending the FERC Commission's determination. Please keep EPA informed of progress in carrying out recommendations/ mitigation measures proposed by or resulting from EPA comments. Please contact either myself or Alaina McCurdy from my staff at 215-814-2741.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeffrey D. Lapp', is written over the word 'Sincerely,'.

Jeffrey D. Lapp
Associate Director
Office of Environmental Programs

Enclosure (1)

Enclosure – PennEast Pipeline FEIS EPA Region 3

Alternatives

EPA expressed concern that reasonable alternatives, which appeared to have the potential to meet the project purpose and need while minimizing adverse environmental impacts, were not carried forward for detailed consideration. EPA appreciates the additional discussion added to the FEIS regarding the Transco system alternative, including explanation that rerouting would negate benefits of collocating in some geographic areas. EPA also requested further consideration of an expanded Atlantic Sunrise alternative or an expanded PennEast project, which could potentially eliminate the need for one of the projects and could potentially reduce environmental impacts, duplicative services, and meet purpose and need. FEIS briefly considers an expanded Atlantic Sunrise, concluding that the length of pipeline laterals would approach the pipeline length proposed by PennEast. Although this alternative was ultimately dismissed, EPA continues to recommend for the future that FERC consider evaluating pipelines routed through similar areas and making similar pipeline connections together in greater detail.

We also continue to recommend that future NEPA documents consider to the extent practicable alternate receipt and delivery points. While we understand the challenges of doing so while maintaining/considering precedent agreements, it has been demonstrated here that such considerations are possible, can be viable, and can be incorporated into applicant proposed routes.

Geology

EPA appreciates FERC's efforts to consider and address geology and geohazard comments that were provided on the Draft EIS. A considerable amount of text and discussion has been added to the Final EIS along with several specific conditions and recommendations relating to this topic. We feel these additions greatly strengthen the FEIS and conclusions made within the document. EPA concurs with FERC's condition that, prior to construction, PennEast file with the Secretary results of the outstanding Phase 2 and 3 portions of the Geohazard Risk Evaluation Report. We recommend that PennEast consider upgrading pipeline design to Class 2 pipe specifications where there are significant liquefaction or landslide hazards identified in Phases 2 and 3 of the Geohazard Risk Evaluation.

Wetlands, Streams and Vegetation

The FEIS states that the project would involve 388 waterbody crossings, which has increased from the DEIS estimate of 331 crossings. Wetland impacts have reduced from 50.4 acres in the DEIS to 46 acres in the FEIS. EPA appreciates the effort made to decrease wetland impacts. EPA encourages FERC and the applicant to continue to avoid and minimize impacts to aquatic resources, including through route modifications. EPA looks forward to working with the Corps, FERC and the project proponent on effective mitigation. We recommend that the compensatory mitigation plan be developed to include appropriate success criteria, a detailed monitoring plan and explanation of compensation for exceptional value resources. Compensatory mitigation for wetland and stream impacts should also consider temporal loss.

PennEast has agreed to replant some trees in nature preserves and parklands in both Pennsylvania and New Jersey. EPA also recommends that appropriate success criteria and adaptive management strategies be included in the revegetation plan, such as planting survivorship and measures

to address animal browse. We recommend that revegetation plans for these areas detail the number of plantings per acre as well as targeted species. To increase survivorship and browse resistance, FERC may consider recommending the planting of larger plant stock as only seedlings are proposed.

Drinking Water

EPA previously recommended that PennEast work directly with state drinking water authorities or utilities to avoid and minimize impacts on source water protection areas. In Water Resources Comment 7, FERC responded that the Well Monitoring Plan, Revised Karst Monitoring Plan, POCC Plan and Unanticipated Discovery of Contamination Plan were all acceptable in order to protect drinking water supply wells within 150 feet of workspace. While FERC may find these plans acceptable to address groundwater sources, EPA continues to recommend that the project address surface water source water protection areas. As source water protection area information is considered private, EPA has suggested that FERC and the applicant work with state drinking water authorities to ensure state-defined source water protection area are not crossed by the project. If possible, we recommend this be included as a condition in FERC order, should it be issued.

Land conservation

The FEIS (Section 4.7.4.2) states that should PennEast be certificated, they may seek to pursue eminent domain project or negotiate easements with Land Conservancies which own land along the project route. It does not analyze the direct and indirect effects that a pipeline right-of-way may have on the future of conserving land in New Jersey. It is recommended that the applicant and FERC work with land conservancies to best maintain their resource value and try to monitor whether protected land effected by new easements lose quality and value to conservancy patrons.

Environmental Justice and Children's Health

EPA provided comments on Environmental Justice (EJ) and Children's Health in our letter on the DEIS. It was noted that the Final EIS considered children's health throughout the document, including in drinking water, noise and human health.

As EPA has discussed with FERC, the stated threshold has been applied to the Census data presented in the EIS differently than described. We recommend that future NEPA done by FERC more clearly describe the methodology used. EPA has informed FERC that several additional block groups, using calculated benchmarks using the methodology described in the EIS. It may be appropriate to ensure that these newly identified communities have been informed and that community needs, concerns and interested have been heard and taken into account; if FERC finds that additional outreach could be beneficial, additional communication to communities could be acknowledged in the applicant's Implementation Plan as areas that may require additional communication prior to and during construction.

EPA would be pleased to further discuss methodology for FERC's future capability to calculate benchmark minority population. EPA recommends that FERC conduct meaningful coordination and outreach to communities of concern, and continue to consider all EJ communities for this and other projects. EPA recommends FERC consider the March 2016 Promising Practices for EJ Methodologies in NEPA Reviews prepared by the Federal Interagency Working Group on EJ; see https://www.epa.gov/sites/production/files/2016-08/documents/nepa_promising_practices_document_2016.pdf